



Saskatchewan
Ministry of
Agriculture

*This information is provided as a resource by Saskatchewan Agriculture staff.
All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
Please use this information at your own risk.*

Cattle Market Update

For the Week Ending December 13, 2013

*This is the final edition of the Cattle Market Update for 2013.
The report will resume on January 20, 2014. Happy Holidays everyone!*

All prices are quoted in Canadian dollars per hundredweight (\$/cwt) unless otherwise stated.

Feeder Cattle

Steers

	Range	Average	Change from last week
300-400	171-203	181.25	-2.32
400-500	164-189	174.19	-0.99
500-600	154-178	164.15	+3.20
600-700	145-166	154.95	+1.00
700-800	140-160	148.94	+0.88
800-900	131-149	140.88	+1.59
900+	120-136	130.50	-5.69

Heifers

	Range	Average	Change from last week
300-400	144-168	152.04	+3.09
400-500	140-158	147.88	-0.12
500-600	132-153	141.28	+0.40
600-700	126-142	133.70	-0.30
700-800	121-138	129.93	+1.88
800+	118-132	124.75	-0.92

Source: Canfax.

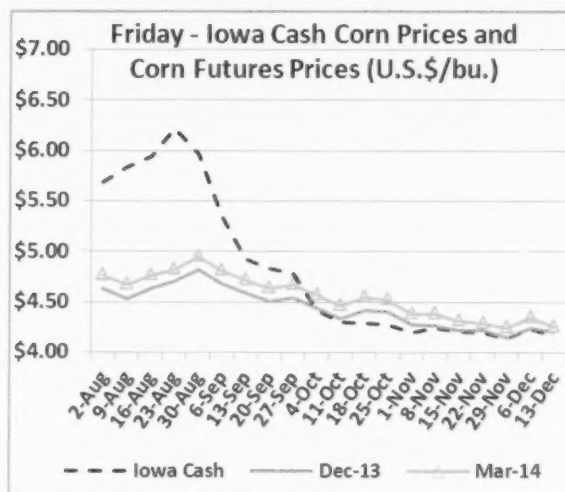
Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week.

Canfax reported that a total of 17,435 head of cattle were sold in Saskatchewan this week, down significantly from 37,044 head marketed the previous week. The fall calf run is coming to an end. Saskatchewan feeder cattle sales over the last 16 weeks totaled 420,073 head, up 11.6 per cent from the same period in 2012, but down 0.8 per cent from the same period 2011. Higher average feeder cattle prices this fall have likely enticed producers to sell more and hold less back for feeding, compared to a year ago.

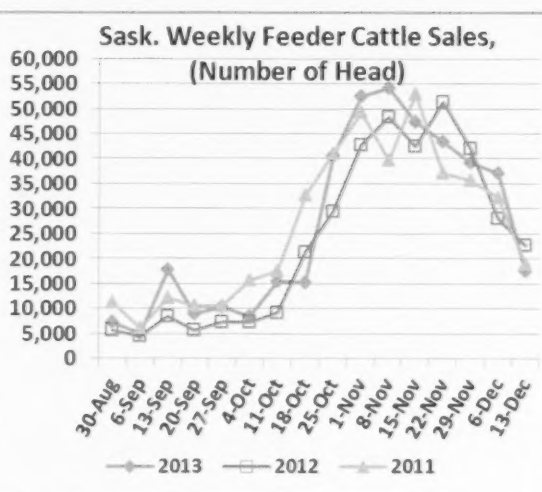
Feeder cattle prices were mixed over the week. Average prices for feeder steers ranged from \$5.69 per cwt lower to \$3.20 per cwt higher. The feeder steers in the 900+ lb. weight category had the largest loss from the previous week decreasing \$5.69 per cwt, while the 500-600 lb. weight category had the largest gain at \$3.20 per cwt. Gains over the week were primarily in the 500-900 lb. weight categories.

Feeder heifer prices were mixed over the week. Feeder heifer prices ranged from \$0.92 per cwt lower to \$3.09 per cwt higher. The 800+ lb. weight category had the largest loss declining \$0.92 per cwt. The 300-400 lb. weight category increased the most at \$3.09 per cwt.

The Saskatchewan 750 lb. feeder steer basis compared to the December 12, 2013 U.S. feeder cattle index at US\$167.80 per cwt was calculated at -\$28.85 per cwt ($\text{US\$167.80}/0.9438 - \148.94), a basis widening of \$0.24 per cwt from -\$28.61 per cwt the previous week.

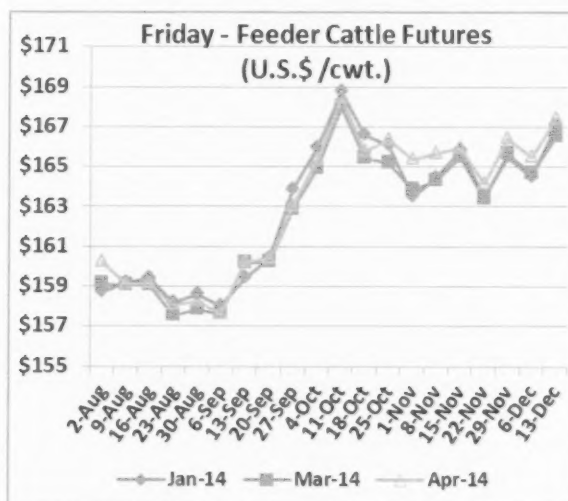


Source: Iowa State University, CME

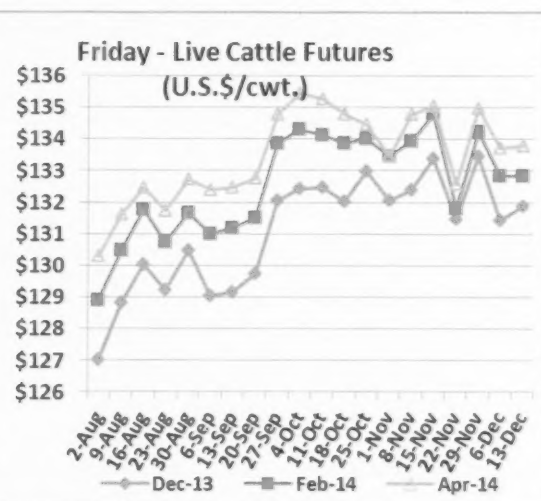


Source: Canfax

Iowa cash corn prices and nearby corn futures moved lower over the week. The Iowa cash price as of Friday was US\$4.17 per bushel, down 6 cents from the previous Friday. The December corn futures contract was almost 4 cents lower to settle Friday at US\$4.204 per bushel while the March contract decreased almost 9 cents to close the week at US\$4.254 per bushel.



Source: CME



Source: CME

Feeder cattle futures prices moved higher over the week with the January to March contracts increasing between US\$1.875 per cwt and US\$2.600 per cwt, week-over-week. The feeder contracts continue to trade in a narrow range as the March contract settled the week at US\$166.550 per cwt while the April contract settled the week at US\$167.400 per cwt.

Live cattle futures prices were relatively unchanged over the week with slight increases. The December to April contracts ranged from unchanged to an increase of US\$0.400 per cwt, week-over-week. The December contract settled the week at US\$131.875 per cwt while the April contract settled the week at US\$133.800 per cwt.

Fed and Non-fed Cattle

	December 13	December 6	Change
Cows (Alberta)			
D1,2 Live	70.38	70.30	+0.08
D3 Live	63.70	63.42	+0.28
Rail	140-145	140-145	+0.00

Source: Canfax.

Prices for liveweight, non-fed cattle in Alberta were relatively unchanged with small gains from the previous week with D1,2 slaughter cows increasing \$0.08 per cwt to average \$70.38 per cwt, while D3 slaughter cows increased \$0.28 from last week to average \$63.70 per cwt.

Fed cattle prices in Western Canada were again higher over the week. Fed steers in Alberta were reported to average \$127.90 per cwt, up \$0.50 per cwt from \$127.40 per cwt the previous week. Fed cattle prices in Alberta again reached new all-time highs.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US\$130.61 per cwt, down 0.9 per cent from the previous week. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US\$206.35 per cwt, down from US\$208.78 per cwt the previous week.

Beef cutout prices averaged US\$201.32 per cwt over the week, down from US\$202.65 per cwt the previous week (Choice 600-900 lb.). Beef production for the week averaged 489.6 million lb., down 3.0 per cent from 505.0 million lb. the previous week, and down 4.3 per cent from 511.5 million lb. the same week a year ago. Weekly cattle slaughter numbers totaled 608,000 head, down 3.3 per cent from 629,000 head the previous week.

The December USDA World Agricultural Supply and Demand Estimates (WASDE) were released. United States December corn production estimates were kept at 13.989 billion bushels for 2013 while corn usage was increased leaving ending stocks slightly lower at 1.792 billion bushels. The U.S. corn price was slightly lowered to a price range of US\$4.05 to \$4.75 per bushel.

The December USDA WASDE report projected U.S. red meat and poultry production to be 93.285 billion lb. in 2013, a slight increase from the November estimates. Total meat production for 2014 was also revised higher to 93.715 billion lb. with upward revisions to beef and pork from the November estimates. United States production for 2014 is projected to increase for pork (+3.0%), broilers (+3.0%), and turkey (+1.4%), but decrease for beef (-5.7%), from 2013 production.

Friday Price Information

Product	This Week (December 13)	Week of: (December 6)
Canadian Dollar (closing rate US\$)	.9438	.9384
U.S. Cash Cattle		
Thurs. Feeder Cattle (FC) Index (US\$ per cwt)	167.80	165.79
Seven-day Weighted Average FC Index Wt. (lb.)	735	737
Live Fed 5-area Steer Price (US\$ per cwt)	130.61	131.87
Feed Grains		
Barley Lethbridge (\$/tonne)	178.00	184.00
(\$ per bu.)	3.88	4.01
Corn Iowa State Average (CDN\$/tonne)*	173.94	177.46
(US\$ per bu.)(Wed. 27/corn)	4.17	4.23
Omaha, NE (CDN\$/tonne)*	178.52	178.30
(US\$ per bu.)	4.28	4.25
Futures		
December Corn (US\$ per bu.)	4.20½	4.24
March Corn (US\$ per bu.)	4.25½	4.34¼
December Live Cattle (US\$ per cwt)	131.875	131.425
February Live Cattle (US\$ per cwt)	132.850	132.850
January Feeder Cattle (US\$ per cwt)	167.075	164.475
March Feeder Cattle (US\$ per cwt)	166.550	164.675

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship, Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News

* conversion to CDN\$ is based on Friday's CDN\$ closing rate

Note: Cow-calf producers in Saskatchewan are reminded to check with their local market operators regarding current market conditions for non-fed cattle. Producers are also reminded that old, thin cows have a very low market value. The non-fed prices quoted each week do not represent the market price for these animals. As an alternative to transporting these animals, you may want to check with your local veterinarian or the nearest Canadian Food Inspection Agency (CFIA) office to see if these animals are eligible for testing as part of the bovine spongiform encephalopathy (BSE) surveillance program. Producers receive \$75 from the CFIA for each eligible sample submitted. The goal of this program is to prove that the BSE control measures implemented in Canada are working.

For more information contact: Brad Marceniuk, PAg
Livestock Economist
306-933-5098
brad.marceniuk@gov.sk.ca